GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:6116
ANSWERED ON:05.05.2000
IMPORTS THROUGH DUTY ENTITLEMENT PASS BOOK
DALPAT SINGH PARASTE

Will the Minister of FINANCE be pleased to state:

(a) whether the importers are facing difficulties in imports through Duty Entitlement Pass Book (DEPB);

(b) if so, the details thereof;

(c) whether the Income Tax Department is asking to deposit 40 percent cash amount on imports being made through DEPB and the imported goods are not being released for not depositing the cash amount in this regard;

(d) whether the goods worth crores of rupees are lying at the ports and the demurrage charges and pest expenditure is going up; and

(e) if so, the remedial steps taken by the Government in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI V. DHANANJAYA KUMAR)

(a) and (b): No large scale difficulties faced by the importers in imports through Duty entitlement Pass Book (DEPB) have come to the notice of the Government. The DEPB Scheme isadministered by Director General of Foreign Tradein the Minisitry of Commerce under the extant Export Import Policy but clearances under thisScheme are handled by Customs. Certain difficulties have come to the notice of various Custom Houses in imports through DEPB Schemeagainst DEPB Licences issued for exports ofcertain sectors from time to time. As soon as these difficulties were brought to the notice of the Ministry by the Custom Houses or theexporters, the same were expeditiously resolved in consultation with the Director General of Foreign Trade and the Minisitry of Commerce.

(c): There is no provision in the Income-Tax Act for levy of 40 percent on imports being made through DEPB Scheme.

(d) & (e): The DEPB Licences which areissued by the regional offices of the Directorate General of Foreign Trade aresubmitted to the respective Custom Houses forverification as per the proovisions of the extant Export Import Policy.A DEPB Licencebecomes valid only after due verification by the Custom House. No delay in clearance ofimported goods takes place against a duly verified DEPB Licence.However, there are certain consignments lying uncleared at certain ports which have been detained on charges of mis-declarations and investigations in these cases are in progress. The importers of such consignment are given option to transfer their goods to warehouses to save demurrage charges.